

SEPTEMBER 2021

Business MATTERS

BUTLER COUNTY • THE INSIDE STORY

Providing and Protecting Energy and Land Resources



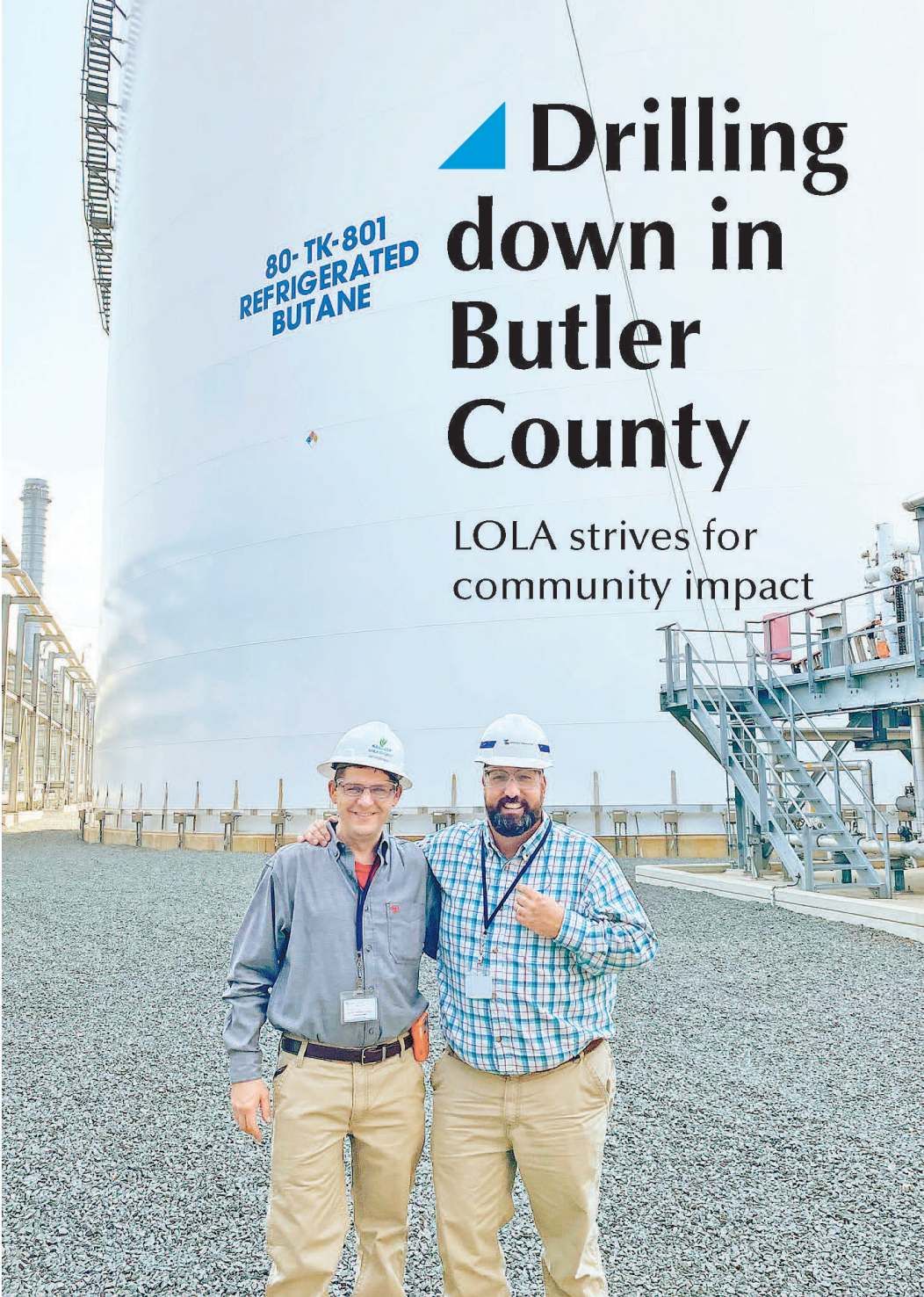
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Locally Owned,
Locally Accountable

PRE-SORT STD.
U.S. POSTAGE
PAID
BUTLER, PA
Permit No. 244

OR CURRENT RESIDENT



▲ Drilling down in Butler County

LOLA strives for
community impact

Everywhere you look in Butler County, there are riches just waiting to see light.

Just ask the leadership team at LOLA Energy, a Canonsburg company headed by mostly Butler County people. They know the importance of extracting the natural gas and oil that is trapped within the Marcellus shale that can be found all around us.

"Effectively, the nation's lifeblood is energy," Chief Commercial Officer Clint Soderstrom said.

LOLA Energy, an oil and gas operating company, was formed in 2015 by four people who had previously worked at EQT Corp., an American energy company.

The team brought with them plenty of knowledge and decades of combined experience. As a team at EQT, they had worked all over Southwestern Pennsylvania, Ohio and West Virginia, and together drilled and completed 2,136 horizontal wells in the Appalachian Basin, according to CEO Jim Crockard.

"Our group was the most experienced in terms of horizontal wells," Crockard said, exceeding even the mighty Chesapeake Energy Corp.

Even with all that experience, the team had never worked in its own backyard, but that has changed.

Oil-, gas-rich county

Enter the bankrupt EdgeMarc Energy, which had oil and gas wells in northern Butler County. Knowing the area is gas- and oil-rich, LOLA bought out EdgeMarc's assets earlier this year. That includes, but is not limited to, more than 20,000 acres of oil and gas rights in Butler County, 48 producing wells, 18 wells that have been fully drilled but have not yet been hydro-fracked, another four wells that were started but not finished and a couple of pads that had been started but not finished.

Continues on 10

LOLA CEO Jim Crockard, left, and Chief Commercial Officer Clint Soderstrom at Marcus Hook in front of a butane tank storing LOLA butane that was piped there for international shipping



LOLA ENERGY

We're a locally owned, locally accountable oil and gas operating company that recently acquired the former EdgeMarc properties in northeast Butler County. We enjoy being a part of the communities where we operate and are excited to be a supporter of events such as the Big Butler Fair, the Butler Farm Show and the North Washington Rodeo.

**Headquartered
in Canonsburg,
Pennsylvania**



**Now operating in
Butler County,
Pennsylvania!!!**

**www.lolaenergy.com
(724) 746-3000**

00569118E



Oil is loaded for delivery and sale at a LOLA pad in Butler County.

From 8

County rich in oil, gas

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"What attracted us to (the assets) was the 48 wells that were already producing, because those have value," Crockard said. "They were producing cash flow. We had a view and a vision that we could improve the production profile versus what was going on under the bank's watch."

Crockard, Soderstrom, and Chief Operating Officer Joe Morris are very careful not to use the word, "mining." Instead, they say, "extract," and what they extract

from those wells in northern Butler County is extensive.

"The primary product that we extract is natural gas," Soderstrom said. "That's what you and I burn in our stove, our heaters. That's where close to 85% of our electricity that we use in the United States of America comes from.

"It's burned in power plants to generate steam, which turns into electricity via turbines."

There's also condensate; propane; ethane, which is used to make plastic; butane; isobutane; and C5+, a hydrocarbon found in high-octane gasoline.

Sold internationally

From Butler County, the gases will be sold internationally, especially propane, since it turns out that there is an abundance of these natural resources, according to Crockard.

The team at LOLA, an acronym for Locally Owned, Locally Accountable, takes its

name seriously. This is not a faceless, international conglomerate.

LOLA's team well understands that what they do and the decisions they make affects all those who live and work around the wells. Crockard said that because LOLA's wells are in active production, many people are employed, beginning with the four-person team that works the wells. They were only too glad to sign on with LOLA after EdgeMarc went bankrupt, and the LOLA team was glad to have them, since the team knew the wells. Others have also benefitted.

"We're aware that just by virtue of owning and operating up there, we're responsible for something like 45 jobs in the oil and gas business that are solely relying on these volumes," Crockard said. "If we shut down the wells tomorrow, there would be 45 people out of work, and they're not all (our) employees. Probably half of those jobs are related to the fact that there's pipelines, compression equipment, cryo and related facilities."

Sponsor events

With a presence now in Butler County,



A LOLA-sponsored tent gets the word out at the Big Butler Fair.

the company is determined to be an asset to the county not just by providing jobs but by supporting local events. It sponsored the fireworks for the Big Butler Fair. The fireworks, according to Crockard, would not have taken place otherwise.

It was a sponsor of the Butler Farm Show

and participated in the 4-H auction, where company representatives bought several animals that they donated back to the local 4-H and FFA organizations. It was also among the sponsors of the North Washington Rodeo. There are many other such events the company supports.

"There's a lot of good things going on in Butler County, and we were pleased that we were able to jump in so quickly," Crockard said. "We look at where we can make an impact in Butler County, where we are making our revenues right now out of these assets, and if we can find a fit we try and do it."

The most important thing LOLA's team would like people to know is that it wants to be effective community supporters and good neighbors.

"We are aware that by virtue of Edgemarc going bankrupt, bad stuff happened," Crockard said. "Wells got shut in, people lost their jobs, local businesses got impacted. All kinds of bad things happened because it was a bankruptcy.

"Bankruptcies aren't pleasant affairs," he added. "If there are people who are frustrated with what happened, we're moving as fast as we can and doing the best that we can to safely and efficiently operate those assets and get money back into their pockets, trying to source services and vendors locally as much as possible." ■